



Report of the Budget Scrutiny Inquiry Group

Published: February 2023

Chairman: Councillor Ralph Bagge



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Chairman's Foreword

On behalf of the Budget Scrutiny Inquiry Group, I would like to pass on our sincere thanks and appreciation to the Cabinet Members and Officers who gave up their valuable time to talk to us and provide evidence to allow us to review the robustness of the draft revenue budget and capital programme. I would like to extend my personal thanks to the Members of the Inquiry Group for taking the time to thoroughly explore a number of important issues.



This has been another extraordinary year which has been challenging for all of us in Local Government and the Inquiry Group recognise how difficult a task it has been to put a budget together in the context of increasing inflationary pressures and global conflict. We appreciate the efforts of Cabinet and officers at a time when there are uncertainties around post-pandemic economic recovery, future Government funding and significant increases in service demand, cost and complexity. I hope that 2023/24 will see a return to 'business as usual', however we understand in producing the draft budget this can not be assumed with any high level of confidence.

There do remain significant areas of risk related to increased inflationary and energy costs, as well as risks to potential income sources, commercial revenue and tax receipts, however it has also created opportunities, particularly around office space required and property rationalisation. We continue to acknowledge that a careful balance must be struck between ensuring the Council has the funds to deliver critical services and the potential impact on residents' individual finances.

Ralph Bagge

Chairman of the Budget Scrutiny Inquiry Group



Membership

- Cllr Ralph Bagge – Chairman
- Cllr David Anthony
- Cllr Michael Bracken
- Cllr Mohammad Fayyaz
- Cllr David Goss
- Cllr Graham Harris
- Cllr Iain Macpherson
- Cllr Richard Newcombe
- Cllr Matthew Walsh
- Cllr Stuart Wilson

Introduction

- Cabinet agreed the draft budget at its meeting on 5 January 2023.
- Budget Scrutiny meetings were held on 9, 10, and 12 January 2023 to scrutinise the draft budget by questioning each Cabinet Member on their budget proposals.
- The public were able to submit questions via email.
- This report of the Budget Scrutiny Inquiry Group makes recommendations to Cabinet. The Cabinet will respond to these recommendations at its meeting on 14 February 2023.
- The final budget will be presented to Full Council at its meeting on 22 February 2023.
- The Budget Scrutiny meetings were webcast and can be viewed at <https://buckinghamshire.public-i.tv/core/portal/home>

Recommendations

The Budget Scrutiny Inquiry Group make the following recommendations:

Recommendation 1

The presentation of Capital Schemes should be divided into two sections: a programme which includes those schemes fully funded with an approved business case and a further section outlining projects which are realistic but do not yet have a finalized business case and funding agreed. This will give Members and residents a clearer understanding of the Council's ambition for its capital investment programme in the longer term (Note that similar recommendations were made in 2020 and 2021). At present there is inconsistency across portfolios, and it is often not possible to achieve the tighter criteria over the whole of a four-year programme.

Recommendations

Recommendation 2

Cabinet should give serious consideration to more Capital investment projects which potentially reduce significant revenue pressures in the medium to long-term.

Recommendation 3

The Council and individual portfolio Risks and Opportunities Schedule should quantify the potential budgetary impact and likelihood of key risks and opportunities so that they can be fully assessed against the relevant Contingency schedules. Year-to-year management of contingency, reserves and releases should also be taken into account for risk management and financial risk registers for each portfolio should reflect the quantum of financial risk identified in the Budget. A new strategic risk on the overall finances of the Council should be added to the Risk Register to reflect the Budget position and updated to reflect any material deviations throughout the financial year.

Recommendations

Recommendation 4

The current delivery of Community Boards needs re-examination as the ratio of administration costs to the expenditure value delivered does not yet appear cost effective for Council Taxpayers. This may be addressed through a combination of a review of the cost base required for their operation and more proactive leveraging of external funding for local projects.

Recommendation 5

A strategic business case should be put together in consultation with local partners and stakeholders to support the development of a sustainable CCTV framework. It is recognised that its implementation would then require capital funding.

Recommendations

Recommendation 6

The Finance & Resources Select Committee should receive an in-depth report on agency staffing costs across the Council and the steps being taken to mitigate this spend, as well as a deep dive on the agency spend (Pertemps) of £22m.

Recommendation 7

Cabinet should seek to identify a permanent home for the Buckinghamshire Archives as part of the Accommodation Strategy or Town Centre regeneration plans.

Recommendations

Recommendation 8

In light of rising demand and the increased costs associated with housing people in temporary bed and breakfast accommodation, the Council should develop alternative Temporary Accommodation solutions as a matter of urgency.

Recommendation 9

Cabinet should ensure that the emerging Visitor Economy Strategy will have clear Cabinet Member ownership and direction and an appropriate budget commitment to support its implementation.

National Context – State of Public Finances

- Addressing the Cost of Living Crisis for those most in need was at the heart of Government's Autumn Statement.
- New Fiscal rules announced:
 - Public debt falling as percentage of GDP by 5th year of rolling forecast;
 - Public Sector net borrowing below 3% of GDP by 5th year of rolling forecast.
- Two-year allocations to Government Departments but one-year to Local Authorities.
- Economy falling into recession.
- Monetary Policy Committee (MPC) increasing interest rates from historic lows to 3% which increases Government debt costs.
- Unemployment likely to increase from 3.4% to 4.7%
- Government borrowing remains at historically high levels to fund cost of living support.
- Taxation and public spending to remain at higher levels than pre-pandemic to fund cost of living support and increased borrowing.

National Context

- The Provisional Local Government Settlement was announced on 19 December. Key items of note from this announcement are as follows:
 - a) One-year settlement only for 2023/24 which broadly aligned with assumptions following the Autumn Statement;
 - b) Referendum threshold increased to 2.99% per annum (from 1.99%) for Council Tax and Adult Social Care Precept (ASC) increased to 2% (from 1%);
 - c) ASC Reform delayed by two years to 2025 with funding repurposed to support current Social Care Pressures;
 - d) Confirmation of the new Grant Funding of £2.7bn in 2023/24 (£4.7bn in 2024/25) to fund Social Care Demand;
 - e) As in previous years, the Government eliminated negative Revenue Support Grant (RSG) amounts;
 - f) Business Rates revalued for April 2023 and transitional support proposed for businesses negatively impacted by increases in the rateable value;
 - g) Electricity Producer Levy introduced on excess electricity generation profits.

Local Context

- Overall, the draft budget includes growth pressures of £33.2m and £30m of inflationary pressures in 2023/24. This will be partly offset by savings, efficiencies and increased income of £30.4m in 2023/24.
- The Council faces uncertainties in future costs and demand levels, national policy, global and national economic conditions and Local Government funding.
- Key assumptions within the budget are:
 - a) Continuing slow recovery in Council Tax and Business Rates receipts as the economy recovers from the significant shocks of 2020 and 2021;
 - b) Continuing recovery in service income (rental income, parking charges, planning income etc);
 - c) Continuing increased service costs both from heightened inflationary levels and meeting additional demand;
 - d) Appropriate levels of contingencies and reserves are held to manage high levels of risk and uncertainty in budget proposals.
- The Better Buckinghamshire Programme continues with its aim to deliver better outcomes for residents and businesses in the most cost-effective way.

Overall Budget

- The Budget Proposal is a one-year Revenue Budget 2023/24 and a four-year Capital Programme 2023/24 – 2026/27. The Budget Scrutiny Inquiry Group spent an intense three days scrutinising the proposal. All Cabinet Members were questioned in turn and the Budget Group's observations and recommendations are set out in this report.
- Some are specific to individual portfolio areas, but we begin with a number of cross-cutting or corporate recommendations relating to the overall budget and the Leader's Portfolio which is responsible for, amongst other areas, the overall financial strategy and Corporate Plan.
- Members acknowledge the difficulty of putting together a budget in the context of ongoing inflationary pressures and increased service demands. This continues to be an unprecedented time with uncertainties remaining around economic recovery.
- Members are aware that the final budget must ensure that the Council remains financially viable, yet also allow the Council to be ambitious in its approach to economic recovery, achieving savings targets and improving council services.
- The Budget Scrutiny Inquiry Group welcome the significant work that has gone in to producing a balanced draft Revenue and Capital Budget.

Leader

- The Leader's Portfolio has a total spend of £6.3m, offset by income of £0.3m.
- Risks and opportunities include working toward a successful County Deal; delivering the Housing Infrastructure Fund (HIF) programme; levelling up in Buckinghamshire and sustaining levels of investment in non-statutory services.
- Significant challenges include inflationary costs which particularly impact the capital programme at between 20% - 30%. Some post-Covid income assumptions also needed to be re-visited.

Key Council Strategies

- Throughout the week, a number of developing strategies were highlighted by the Cabinet Members. These strategies need to be cross-portfolio, for instance the Parking Strategy must consider changes to the Council's estate and town regeneration ambitions.

Members note the activity on strategies across the Council and would like to see more urgency in their development – for example, both the Parking Strategy and Leisure Strategy were mentioned at Budget Scrutiny in January 2022 but neither have been presented to Cabinet to date.

Leader

Revenue Budget

- The Council would like to see a return to the Government's three-year settlement so that a clear direction for medium term financial planning could be developed.
- There is no real certainty on funding next year. For instance, the Government has announced plans to spend up to £200m on extra beds in care homes and other settings to speed up hospital discharge and free up beds which could put pressure on Council finances.
- Members note narrative risks and challenges presented in all portfolios but feel that the papers should quantify these risks further so that their likelihood and potential budgetary impact can be assessed – see Recommendation 3
- Members questioned the Leader on his portfolio budget which includes Bucks Business First, policy & communication, Local Enterprise Zone, economic development, supporting Ukrainian guests and Opportunity Bucks, the Council's levelling up programme, targeting areas in High Wycombe, Aylesbury and Chesham.

Members note the anticipated reduction of 25% in the Communications budget by the following financial year.

Leader

Strategic Infrastructure and Capital

- Members heard that the strategic infrastructure team is regularly involved in lobbying central Government for funding and is responsible for leading on key HIF projects included within the Capital Programme. There is over £36m committed in 2023/24 to deliver key projects Princes Risborough Relief Road, South East Aylesbury Link Road and the A366 Improvement Scheme.

S106 contributions feature substantially across all portfolios within existing and future plans. A consolidated schedule of aged S106 contributions should be made available as part of Budget Scrutiny and reviewed six months later by the Finance and Resources Select Committee.

Capital Programme

- The programme requires certainty over the four-year period due to tendering, planning and business cases. At Cabinet on 5 January, an amendment to the Capital Programme added £6.575m into the Highways Maintenance Programme in 2026/27: £4.425m for plane and patch and £2.150m for footway structural repairs. This took the programme from £494.3m to £500.9m

Leader

Capital Programme continued

- The HIF figure of £172m was based on historic bids that were allocated to schemes, however the allocations were insufficient in the current inflationary environment. There is a risk of missing delivery due to funds being non-transferable between schemes.
- The Leader advised that the programme was not an exhaustive list and only fully costed capital schemes with an agreed business case were in the Capital Programme.
- Members feel that the current programme does not adequately demonstrate to Buckinghamshire residents the work that is being undertaken to develop longer term projects in priority areas (e.g. climate change and sustainable transport) See Recommendation 1.
- A recurring theme throughout the week from portfolio holders was examples of capital programme work in development that were not featured in the budget papers. In some instances, e.g. Education & Children's Services, these capital works may have a positive impact by mitigating increasing revenue costs.
- The Inquiry Group would advocate for more capital investment in projects that could mitigate significant increases in revenue spending e.g. in Homelessness & Regulatory Services the Temporary Accommodation revenue budget has increased by £3.6m in 2023/24 - capital investment to repurpose existing Council owned property to provide temporary accommodation could alleviate this spend – See Recommendation 2.

Leader

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Communities

- This directorate has a total spend of £8.1m offset by an income of £1.05m.
- Key financial risks include lack of clarity on future Government grants and community safety funding and capacity issues for delivering statutory duties.

Community Boards

- Members heard that Community Boards were evolving over time and that a review produced a saving of c£200k last year. It was important that Community Boards were seen as a local facilitator, not just a grant-giving body.
- The Cabinet Member noted that contributory funding had increased in 2022/23 to c£695k, however Members note the inconsistency of contributory funding across the Community Board areas. The Inquiry Group welcome the planned review planned for this year and believe this should include a focus on Community Board overheads, as well as how external funds are leveraged.
- Members shared experiences of their Community Boards and noted that there were examples of good practice in securing contributory funding.

Recommendation 4

The current delivery of Community Boards needs re-examination as the ratio of administration costs to the expenditure value delivered does not yet appear cost effective for Council Taxpayers. This may be addressed through a combination of a review of the cost base required for their operation and more proactive leveraging of external funding for local projects.

Communities

Domestic Violence

- Members acknowledge the importance of this work and note budget remains as 22/23.

Special Expenses and Devolution

- Three community centres in Aylesbury are progressing for devolution of the services having been considered by Cabinet. The budget does not take into account this devolution until a transfer occurs.

CCTV

- Members expressed concern at the lack of investment in CCTV in the capital programme. The Cabinet Member acknowledged the risks which include network degradation and harm to the Council's reputation should the network fail.
- The Inquiry Group considered the benefits of a CCTV network, including crime prevention and its function for providing evidence. Members feel that the Council has a facilitating role here. Consideration needs to be given on the type of equipment needed and its location, and that offering local network access (e.g. to Parish/Town Councils, businesses and police) may attract additional funding.

Recommendation 5

A strategic business case should be put together in consultation with local partners and stakeholders to support the development of a sustainable CCTV framework. It is recognised that its implementation would then require capital funding.

Transport

- The overall Portfolio has a total revenue budget of £76.5m, offset by income of £14.8m, made up mainly from customer and client receipts.
- Key risks include the transition to the new Highways contract; Home to School Transport pressures; parking income assumptions post-Covid; inflationary costs on maintaining the Highways asset, materials for projects and street lighting; impact of HS2/EWR; staffing capacity and ongoing affordability of highway infrastructure projects.

Parking

- Members welcome the forthcoming Parking Strategy although note that its development was also referenced last year. Local Transport Plans would inform the strategy and differences between urban and rural locations would be considered.
- The Inquiry Group questioned the assumptions behind parking income projections particularly given working patterns post-Covid. The Cabinet Member noted that on-street parking had returned quicker than off-street and that budget proposals assumed that parking income would not return fully to pre-pandemic levels and that this issue was recognised as a risk.
- Members would encourage the Cabinet Member for Transport to work cross-portfolio to make best use of Council-owned parking assets and explore options to re-purpose if appropriate e.g. land for affordable housing or temporary accommodation.
- Concern was expressed over the Council's ability to enforce existing and future parking restrictions associated with the upcoming strategy.

The proposed Parking Strategy should consider the opportunity for greater parking enforcement on the restricted highway (outside of on-street and off-street parking) with costs offset by an increased number of PCNs issued in line with resident expectations.

Transport

Home to School Transport and SEND Transport

- 2022/23 Q2 reports an adverse variance of £1.9m due to higher than expected SEND contract costs and complexity. This is a statutory service and cost pressure is being experienced nationally.
- The Cabinet Member advised that the service was promoting Personal Transport Budgets (PTBs) to mitigate costs. Launched in May 2021, PTBs are paid at the Council's discretion and can offer more cost effective and flexible solutions to families, where they best meet the child's needs.

HS2 and East West Rail

- A proportion of the staffing budget is funded by these infrastructure projects, however the Council employed additional staff, such as marshals, to hold the companies to account and respond to local community concerns . The Group acknowledge the importance of these roles.
- The Highways asset continues to be impacted by the projects and marshals have a role in documenting reports of road degradation and mud on the roads. Residents are encouraged to continue reporting issues via [Fix My Street](#).

Transport

Active Travel

- Members were assured by the ambition to deliver Active Travel and heard that parts of the 'Buckinghamshire Green Spine' would be delivered with external funding e.g. Wendover – Great Missenden Misbourne Greenway. Other projects are in development but will only feature in the capital programme once approved.
- Members feel that without it being made clear that this work is being carried out in the capital programme, there is a danger that the Council is not fully representing its ambitions in this area (see Recommendation 1).
- The Inquiry Group emphasised the importance of linking new housing developments with Active Travel measures e.g. cycleways.

Highways

- Members note that the £100m road maintenance budget remains the same despite inflationary pressures estimated at 20%. The Cabinet Member advised that innovation would assist in delivering value for money e.g. the recent use of recycled plastic roads in High Wycombe. Also the new failed roads programme would help to improve the asset.

Transport

Highways continued

- The service regularly apply for external funding, e.g. DfT funded a £500k traffic signals maintenance grant to refurbish traffic signals on the Walton Street Gyratory, Aylesbury.
- Members sought assurances about the changeover of the Highways Maintenance contract in April 2023. The Cabinet Member explained that the new Buckinghamshire Highways would be subject to a 100 day review and then ongoing monitoring to ensure value for money. The re-procurement of the Council's new Highways contracts is anticipated to deliver significant additional value without increasing costs for the Council.

Electric Vehicle Charging Points

- The EV Action Plan aims to continue increasing coverage on the Council estate however private companies would also need to contribute towards countywide coverage.
- Government funding was limited to certain charger-types.
- The Inquiry Group support the cross-portfolio ambition of being assertive with new developments on providing EV chargers.

Accessible Housing and Resources

- This portfolio has a spend of £166.2m offset by income of £109.4m, mainly Government Grants through the Revenue and Benefits service.
- Key risks include economic uncertainty in the delivery of new rental income opportunities and capital receipts; inflationary pressures on capital costs and maintenance; and property rationalisation.

Legal Costs & Insurance Premiums

- Members expressed concern over increased legal costs which were £0.9m over budget at Q2 2022/23. Members note the increased allocation in the revenue budget 2023/24 by £1.15m to a net budget of £6.9m
- The Cabinet Member advised that this is due to increased demands and complexities in multiple services including Planning, Adults and Children's. Members considered the merit in these costs being held within each service budget, however a centralised cost ensures control of the budget and strong oversight.
- Members note the increase of £0.9m for insurance premium costs and were reassured that this is comparable across the market and that a strategy is in development.

We note the increase of legal costs across the Council which has led to an overspend in this financial year that has been incorporated into the base budget for 2023/24. This should be closely monitored at a granular level by all portfolios. A review of charging arrangements may be appropriate if legal costs continue to grow.

Accessible Housing and Resources

Agency Staffing Costs

- The Inquiry Group acknowledge the £22m spend on the Pertemps recruitment contract and understand the need for temporary staff in services such as social services, Children's and Planning, and heard that the contract had recently been renewed at a competitive rate. The contract has the benefit of Pertemps' access to the wider supply-chain network.
- Agency staff can also offer a route into joining the Council on a permanent basis and the Council had some success in agency staff being converted to permanent Council employment.
- A breakdown of agency costs across portfolios would have been beneficial to the inquiry group; it was noted that the Resources portfolio had limited agency spend.

Recommendation 6

The Finance & Resources Select Committee should receive an in-depth report on agency staffing costs across the Council and the steps being taken to mitigate this spend, as well as a deep dive on the agency spend (Pertemps) of £22m.

Accessible Housing and Resources

Property and Assets

- Members welcome the development of the Work Smart Estates Strategy, considered by Cabinet on 5 January 2023. This had been informed by office occupation rates in the 60/40 work pattern for staff. The MTFP savings target is £2.4m revenue per year, with potential income generation through rental. The ambition is for some office closures in next 2-3 years but the plan was flexible to manage upswing in office attendance.
- The closure of the Walton Street office and its future use is for consideration and would be subject to consultation. Options included re-purposing or selling the site however submitting a Certificate of Immunity from listing is required first. Members highlighted that one key consideration must be the future location of the Archives service and storage.

Recommendation 7

Cabinet should seek to identify a permanent home for the Buckinghamshire Archives as part of the Accommodation Strategy or Town Centre regeneration plans.

Council Tax Collection

- Members questioned whether the council tax collection rate of 98.3% could be more ambitious however the Cabinet Member felt this level was prudent compared to the national average of 96% and the current cost-of-living climate.

Culture and Leisure

- The Culture and Leisure portfolio has a total spend of £8.78m, offset by income of £4.13m.
- Key risks include the continuing impact of Covid on leisure recovery and income to the Council; development of a new Leisure Strategy; increased demand of visitor numbers to green spaces, including Country Parks, which is higher than pre-pandemic; and sustainable investment in non-statutory services.

Archives

- Members note the archaeological findings discovered along the HS2 route that the Council will inherit as custodial owners and also note museum archived storage held at Halton which will be impacted by the closure of the RAF base.
- Cross-portfolio working with Accessible Housing & Resources is taking place to consider the future location of the Archives. The portfolio holder would like to identify a site with rail access and large enough to facilitate school visits, which may generate income and feed into regeneration plans (see Recommendation 7).

Libraries & Digital Delivery

- Members heard that digital literature and learning at libraries suited the vast majority of residents as more content could be provided. Residents with more print-based need are accommodated as much as possible.

Culture and Leisure

Leisure Centres

- Members questioned the impact of inflationary costs on leisure centres and were assured that this was robustly monitored by the service and operators had not raised significant concerns. There is operator certainty on energy costs due to procurement for the year ahead.
- Members heard detail on the emerging Leisure Strategy: the Playing Pitch Strategy aimed for adoption in Q1 2024/25 whilst the Indoor Facilities Strategy aimed for completion in Q1 2023/24.

Country Parks

- Officers from Planning, Legal and Property would meet to consider options for the Little Marlow Lake Country Park.
- The Inquiry Group explored proposed increases to car parking charges and potential impact on visitor numbers – the Cabinet Member was confident that this remains good value. The income would also assist in maintaining paths in high footfall areas.
- Members note the planned completion of Stoke Poges Country Park for 2023.
- Farnham Park would not be devolved as investment in football pitches has generated enquiries from local teams and there are a range of facilities on site to consider. There is an aspiration to improve access to the site.

Culture and Leisure

Visitor Economy

- Members considered how the country parks and leisure offering could add to the Visitor Economy. It was felt that the developing Leisure Strategy needed to include this aspect and that the Visitor Economy itself required budgetary support.
- The Visitor Economy work brings together activities and attractions from a range of public, private and voluntary sector organisations. An online residents' survey was also being undertaken currently.
- Members were advised that the Visitor Economy and Tourism relied on cross-portfolio working (see Recommendation 9), as well as working with external partners.

Health and Wellbeing

- This portfolio has a total proposed revenue budget of £269.1m, offset by income of £87.1m. The adverse variance in Q2's 22/23 forecast related to increased costs of care packages.
- Significant risks that could impact on the 2023/24 position include the move away from Discharge to Assess (D2A), provider failure; and increased poor health and frailty of residents in communities. Work is ongoing in preparation for new Social Care reforms.

Revenue Budget

- Concern was expressed at the 10.7% increase to the budget, although it was recognised that this has been modelled on inflation, increased demand and pressures in the provider market. Members commend the service in understanding the impact of all of these pressures.
- Members sought assurance around the increased legal costs in the portfolio – these costs could relate to deprivation of liberty protection, debt chasing and coroner fees.

Staff Recruitment & Retention

- Members recognise the efforts to reduce agency numbers (50 across a range of disciplines) including the Social Work Academy. Increasing the number of graduates needed to be incremental so that ongoing support can be provided for the first year post-completion.
- The service continues promoting the Council offer to convert agency to permanent employment.
- The Inquiry Group recognise that a shift is required nationally to establish parity of esteem with other professions.

Health and Wellbeing

Better Lives Strategy

- This strategy continues to deliver savings and aims to encourage independence and home living rather than high-cost residential care.
- The strategy has a three-tier approach: 1) Information, Advice & Guidance (70%), 2) Re-enabling Independence (20%), 3) Comprehensive care (10%). The target for Tier 1 is being exceeded however increased residents' frailty may see a percentile shift towards Tiers 2 & 3 in 23/24.

Public Health

- The budget is funded by a ring-fenced grant. The Public Health Team is relatively small, and services delivered are statutory, so savings opportunities are difficult to identify. Members sought clarity on budget allocations against the nine mandatory functions and note this accounts for 80% of spend.
- The Inquiry Group appreciate that Public Health cross-cuts all portfolios. This includes linking with Community Boards and tackling obesity through efforts in the Local Plan around green spaces, cycleways and footpaths.
- Members were encouraged by the Grow It, Cook It, Eat It scheme and note it is expanding to include cost effective cooking ideas e.g. slow-cooker usage.

Health and Wellbeing

Public Health continued

- Public Health is vital to Opportunity Bucks, the county's levelling up programme and the Deputy Cabinet Member aims to visit all Community Boards to spread Public Health messaging. Community Boards each have a health profile which had been recently updated in areas of higher need.
- Members note that Buckinghamshire was 13th lowest for Public Health funding out of 150 Local Authorities.

Members would encourage all portfolios and the Community Boards to consider opportunities to amplify Public Health messaging through their own projects.

Homelessness and Regulatory Services

- This portfolio area has a total spend of £25.2m, offset by income of £15.3m.
- Key risks to the budget include increasing temporary accommodation (TA) costs and numbers; staffing capacity for service delivery; increasing Coroners' service case complexity; and inflationary costs to cemeteries & crematoria capital schemes.

Capital

- Members welcome commitments to utilise capital to provide further temporary accommodation solutions, e.g. 58 units at Bridge Court, High Wycombe, delivering £1m revenue savings. Members recognise in the long-term that such schemes will deliver substantial savings on TA and B&B costs which has been an area of overspend in 2022/23.
- Additionally, Members acknowledge that capital investment of 100 units of temporary accommodation would deliver revenue savings of £2m per annum and suggest exploring this option further given the increased demand and costs (see Recommendation 2).
- Disabled facility grants levels are set by Government and cross-cut with the Adult Social Care Better Lives Strategy by facilitating home independence.
- Members questioned the robustness of the business case on the creation of a café/wake/community venue at the Chilterns Crematorium. The case had been developed with stakeholders, was funded by crematorium reserves, and included provision to increase parking capacity.

Homelessness and Regulatory Services

Temporary Housing

- Members note the increased budgetary pressure for TA, £3.8m in Q2, and the increased budget allocation of £3.6m for 2023/24.
- The Inquiry Group is also mindful of the potential impact of Ukraine households presenting as homeless when host sponsorships come to an end. Members heard that work is underway to support Ukrainian households transitioning to future accommodation, be it private or via Bucks Home Choice, however there is a danger of demand and costs escalating further.
- The Cabinet Member advised that the increase in demand was in part due to cost-of-living pressures and the abolishment of 'no-fault evictions' introduced during the pandemic.
- Members reiterated that cross-portfolio working is required to alleviate this budgetary pressure (e.g. Planning through the Local Plan and Resources through the Estates Strategy).

Recommendation 8

In light of rising demand and the increased costs associated with housing people in temporary bed and breakfast accommodation, the Council should develop alternative Temporary Accommodation solutions as a matter of urgency.

Homelessness and Regulatory Services

Housing & Rough Sleeping

- An overarching Housing Strategy is still in development. Members received assurance that other relevant portfolios were being consulted on its production e.g. Children's Services regarding care leavers having access to social housing.
- As of 31 December 2022, Bucks Home Choice had 4,995 live applications and 1,592 pending.
- There were currently 11 known rough sleepers in Buckinghamshire and the Council funds charities to encourage engagement with the service. Joint working with Armed Forces charities monitored for instances of rough sleeping and homelessness amongst service veterans.

Homeless veterans should be given priority in accessing accommodation in light of the Council's commitment to the Armed Forces Covenant

Fees & Charges

- Members sought assurance on the methodology of full cost recovery.
- Most fees are set by Government but some can be set locally to reflect the cost of delivering services. Taxi licensing is one example and fees will be considered in the upcoming year.

Planning and Regeneration

- The Planning and Regeneration Portfolio has a total spend of £16.44m, the majority of which is staff costs. This is offset by income of £9.49m generated through fees and charges.
- The Council continues to be the second largest planning authority in the country and is the third highest Local Authority for issuing enforcement notices (behind London Boroughs Brent & Westminster).
- Members heard of the priorities to develop the Local Plan and protect communities from speculative development, continue the enforcement agenda and develop a town centre regeneration framework.
- Risks include changes to national planning legislation; impact of recession on planning income; staff retention to meet service demands, increasing legal costs of planning appeals; and funding for regeneration projects.

Local Plan

- The Cabinet Member is confident that the £750k budget for delivering the Local Plan is sufficient, noting that it requires expertise and consultant involvement at various stages. Members were also assured that 21 FTE staff were currently developing the Local Plan.
- Reference to the Local Plan had been made throughout the portfolio sessions this week and Members highlighted the need to realise synergies through cross-portfolio working.

It is important that the emerging Local Plan has provision for all current and future need across all portfolios (e.g. Adults, Children's, Public Health, cycle ways, archives, green housing etc).

Planning & Regeneration

Enforcement

- Members support the focus on enforcement as a Council priority and hope it will act as a deterrent going forward, thereby reducing case costs.

Regeneration

- Members note the upcoming Buckinghamshire Framework to support regeneration in market towns.
- Regeneration of the Winslow Centre had been delayed due to a review of borrowing arrangements.
- Members note that the visitor economy plays a significant economic role in Buckinghamshire by bringing around £900m into the county and providing between 11k – 13k jobs.
- A recent report to a joint C&L & GIH Select Committee highlights that the Council contributes £15k towards Buckinghamshire's official Destination Management Organisation (DMO). The report also mentions the historically fragmented approach to 'place based' campaigns for individual towns or parts of the county rather than promoting Buckinghamshire as a destination.
- A new Tourism Survey is open for residents to share their 'must visit' places which would inform the Visitor Economy Strategy and feed into regeneration plans.

Recommendation 9

Cabinet should ensure that the emerging Visitor Economy Strategy will have clear Cabinet Member ownership and direction and an appropriate budget commitment to support its implementation.

Climate Change & Environment

- This portfolio has a total spend of £39.7m, offset by income of £22.7m, the majority of which is attributed to the Energy from Waste (EfW) facility.
- Key risks identified include the Government's Electricity Generator levy which will likely significantly impact the income from the EfW; managing demands of housing growth, fuel and contract inflation; and fly-tipping.

Energy from Waste Income

- Members spent considerable time interrogating the projected income from electricity sales and wanted to ensure budgetary assumptions were accurate.
- The Group also had concerns about the budgetary impact should energy prices return to normal over the course of the budget. Members were assured that the levy tax, estimated at 45%, was factored into the budget. The movement of funds into reserves was also explored by Members.
- The EfW plant does import external waste as part of the operator contract. Members suggest further exploring this commercial opportunity to both reduce landfill outside the county and maximise income.

Given its significant contribution to the Council's budget, Members would welcome the opportunity for a more in-depth discussion on the Energy from Waste income at a future F&R Select Committee. It is recognised that this would need to be in a confidential session due to the commercially sensitive nature of the data that would be shared.

Climate Change & Environment

Waste Collection

- Capital spend on waste vehicles across the county is the Council's responsibility with 120 vehicles in the fleet. Each vehicle has a 7-8 year lifespan and procurement is phased annually. Members endorse this gradual capital approach.
- £750k is allocated into the budget for a waste options appraisal which would consider the future provision of the service in the North & South.
- Members note the quality of a future delivery model must also be considered alongside costs due to its importance to residents.

Fly-tipping

- Members support this priority and note lobbying efforts to issue increased fines and sentences.
- There has been successes with impounding and crushing of vehicles. Residents are reminded to dispose responsibly through licensed providers.
- The service is looking at more innovative ways to enforce fly-tipping.
- Continuing to deliver this as a priority would act as a deterrent, thereby reduce costs associated with fly-tipping clearance.

Climate Change & Environment

Climate Change

- Members note the ambition of the tree planting scheme and heard of plans to deliver a large site in Wing, in partnership with Forestry England, that would plant 100k trees.
- Tree planting also included smaller schemes delivered by contractors on the Council estate. Local partners and Parishes also had a role in delivering of the tree scheme.
- Members felt that the budget does not fairly reflect details of the Council's efforts in this area.

Given the strong public interest in this topic, the Council should identify a way to explain that expenditure on measures to combat Climate Change and improve the environment are considerably greater than headline budgets such as tree planting may imply. It would be helpful if an approximate figure could be included in narratives in future years.

Education & Children's Services

Children's Social Care

- Children's Social Care has a total spend of £93.2m. The portfolio is experiencing increases in demand and complexity across Early Help and Children's Social Care, as reflected in the Q2 2022/23 forecast, which is also the national trend.
- Significant financial risk areas include difficulties recruiting permanent staff and managers reducing reliance on agency staff; increased case load complexity and demand; unaccompanied asylum-seeking children; demand for Education Health and Care Plans (EHCPs); and availability of appropriate placements.
- Members compliment the latest Ofsted results in the current climate.

SEND

- Members note the cross-portfolio increased costs of SEND Transport. The cause is an uptake in EHCPs (currently 5,365 in Bucks)
- The SEND Strategy and transformation programme will examine how the service manages need differently and consider earlier work to prevent escalation and build family support.
- Members sought assurance that contracts with Oxford Health NHS Foundation Trust and Buckinghamshire Healthcare Trust would be subject to future procurement and not granted waivers.
- The Ofsted and Care Quality Commission report in March 2022 highlighted unequal contribution on some SEND needs. It is acknowledged the two-year waiting list for autistic testing under Oxford Health is unacceptable.

Education & Children's Services

Staff Recruitment and Retention

- Members heard there were 30 employees in the Social Worker Academy and were encouraged by the 85% retention rate of graduates from the academy. Members encourage further, proactive investment into the academy and ongoing support to graduates rather than rely on a national solution.
- Children's Services has been reliant on the use of agency Social Workers due to a shortage of skilled staff nationally. Members heard that agency workers would always have a role in the service, however the current rate of 35% is too high. The Council has a statutory duty to ensure the service always has the adequate number of qualified social workers therefore agency staffing costs have been unavoidable.
- Work would develop this year on how best to support case workers by reducing their workload (e.g. administrative support).
- For care workers, the Inquiry Group note the favourable expenditure per resident and expenditure per client benchmarking data compared to nearest neighbours (NNs) and South East Local Authorities. However, Members questioned Buckinghamshire's 33.3% vacancy rate which is over double that of NNs. The Cabinet Member advised that revision to the workforce strategy will incorporate retention to address this disparity and that learning from the academy model could be applied.

Education & Children's Services

Accommodation

- Members were assured that geographical profiling occurs and that this fed into the sufficiency strategy for projection of need. Cross-portfolio working also takes place.
- The Inquiry Group agree that in-county solutions are preferable and note the collaboration with neighbouring Local Authorities.

Education

- Education has a total spend of around £391.6m, of which £369.9m is the Dedicated Schools Grant from the Department for Education. Q2 2022/23 reports overspend of £0.3m against Education's budget. The budget includes additional costs for school improvement following the ceasing of grant funding.
- Members explored school expenditure and allocation numbers. It is projected that 8,000 additional pupils will be seen in the next ten years and the Cabinet Member is confident in the service's Fair Access Protocol to allocate school places e.g. Ukrainian children and asylum seeking children.
- Projected pupil numbers take into account birth rate, new developments and housing allocations so there may be some future fluctuation. Surplus places are reported to the Department for Education.

Education & Children's Services

Capital

- Members note the excellent facilities at Kingsbrook School completed 2022/23.
- Members heard about the four-phase capital programme for improvements and note the flexibility in how schools can apply the funding (e.g. installation of solar panels). Members felt that the Council should monitor and record the improvements made to schools using capital funding (see Recommendation 1), particularly where the improvements reflect the Council's ambitions in areas such as climate change.
- Members were encouraged to hear the ambition to use capital to extend existing maintained schools for SEND provision which will reduce revenue costs. The Inquiry Group note that this example is not included in the capital programme and would be useful for Members' awareness (see Recommendation 1). The Cabinet Member acknowledged that not all exploratory options were presented.
- Members also feel there may be options to utilise Buckinghamshire's capital spend to create its own capacity for children's accommodation and reduce revenue costs (see Recommendation 2).

Future Improvements

Having concluded its series of meetings, the Inquiry Group picked up a number of areas to further improve the Budget Scrutiny process next year. These points are noted below.

- The risks and opportunities should expand on the narrative by including quantified budgetary impact amount and likelihood.
- Members would welcome more granular detail on a number of budget lines such as climate change activity, S106 and agency costs.
- Members suggest meeting with the S151 Officer to consider the adaptation of revenue and capital templates for future Budget Scrutiny.
- The pre-briefings for the portfolios of Health and Wellbeing and Educations and Children's Services were welcome, as was the Budget Briefing held prior to the Budget Sessions.
- It would be helpful to see any work on projected year two and three budgets beyond the upcoming scrutinised revenue budget so that the direction of travel can be considered.
- Restricting the number of attendees at the meetings was helpful.